



JON M. HUNTSMAN, JR.
Governor

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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

April 27, 2007

Kyle Kimmerle
Kimmerle Mining
4056 Beeman Road
Moab, Utah 84532

Subject: Deficient Notice of Intention to Commence Small Mining Operations, Kimmerle Mining, Pine Ridge Mine, Task 1753, S0370120, San Juan County, Utah

Dear Mr. Kimmerle:

The Division of Oil, Gas and Mining has reviewed the referenced Notice of Intention to Commence Small Mining Operation (NOI) and has the following comments that need to be addressed:

The Division understands from you and the Forest Service that you will only do Phase I of this operation for now. Phase I includes clearing the road so it is driveable, opening the portal, and taking samples, i.e. exploration. It does not include vent holes, removing waste from the mine, or doing mining beyond these exploration activities. Please revise the notice with commitments to this effect.

The NOI indicates there would be three acres of disturbance, but if you are only doing Phase I, it appears there would be less disturbance, perhaps only one acre. You have the option of permitting and bonding just the amount that will be disturbed at this time or of permitting and bonding three acres. Please modify the NOI as appropriate.

Assuming you revise the NOI with these commitments and that the disturbed area will be one acre, the reclamation surety amount, escalated through 2010, will be \$5900. The amount is \$6300 if escalated through 2012. If you decide to permit and bond three acres, the Division and the Forest Service will need to confer on the appropriate amount.

The surety can be submitted in the form of cash (certified funds), a certificate of deposit, a letter of credit, or a corporate surety. Please contact Beth Ericksen at 801-538-5318 for information about submitting the surety and associated reclamation contract.



Kyle Kimmerle
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If you have questions about this letter, please call me at 801-538-5258 or Paul Baker at 801-538-5261. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, reading "Susan M. White". The signature is fluid and cursive, with the first name "Susan" being more prominent than the last name "White".

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:PBB:pb

cc: Joel Nowak, Manti La Sal National Forest
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